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### Regional Preparatory Meeting for the United Nations Conference on Sustainable Development

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**Co-Chairs' summary and closure of the meeting**

## Report of the Regional Preparatory Meeting for the United Nations Conference on Sustainable Development

Addendum

### Co-Chairs' summary of the meeting

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## I. Introduction

1. In preparation for the United Nations Conference on Sustainable Development (UNCSD; Rio+20 Conference), scheduled to take place in Rio de Janeiro, Brazil, in June 2012, member States of the United Nations Economic Commission for Europe (ECE) and representatives of major groups, United Nations agencies and other international bodies met in Geneva to identify the specific challenges and priorities of the ECE region with regard to the Rio+20 Conference, including policy recommendations and good practices.

2. The Regional Preparatory Meeting was opened by the Executive Secretary of ECE, who highlighted that, since 1992, the political and economic circumstances of ECE member States had undergone profound changes. Despite economic growth, in many economies inequality had increased substantially. Progress in reducing the overall environmental impact had been limited, and in some areas it had continued to worsen. In the context of greening the economy, the current economic crisis could be used as an opportunity for a dramatic shift from the growth model of the past, in which the industrial revolution that had fuelled rapid economic growth hinged on the exploitation of natural resources and had generated large but unevenly distributed wealth. During the Seventh "Environment for Europe" Ministerial Conference, held in Astana in September 2011, ministers from the ECE region had agreed to take the lead in the transition to a green economy. In that connection, the inter-agency report, "From Transition to Transformation: Sustainable and Inclusive Development in Europe and Central Asia", prepared jointly by all the United Nations entities active in the field of sustainable development and the green economy in the ECE region, was a comprehensive substantive contribution to Rio+20.

3. In his address to the meeting, the Secretary General of UNCSD observed that the ECE region had a very important role to play in advancing the transition towards a green economy, as many countries were already implementing the required policies and measures and thus had good practices and experiences to share. Developing countries and countries with economies in transition were therefore counting on the support of developed countries in the ECE region. Seven priority areas had been identified during the global preparatory process and had been reaffirmed in the submissions for the compilation document: combating poverty, including through green jobs and promoting social inclusion; advancing food security and sustainable agriculture; sound water management; energy access, including from renewable sources, as well as energy efficiency and sustainability; sustainable cities; management of oceans; and improving resilience and disaster preparedness. He also gave an overview of the main ideas put forward as possible outcomes on green economy and the institutional framework for sustainable development. In that regard, it was important to note that member States and stakeholders had stressed cross-cutting issues, including sustainable consumption and production, gender mainstreaming, education, science and technology, and means of implementation such as official development assistance and capacity-building.

4. The Chief of the Executive Office of the United Nations Environment Programme (UNEP) identified five outstanding environmental concerns for Europe and five for North America. For Europe, these were air quality; biodiversity; chemicals and waste management; climate change; and freshwater quality; for North America, top concerns were soil, land use and land degradation; desertification; environmental governance; freshwater quality; and energy. Inter-agency cooperation played an important role in the region, and joining efforts in supporting countries to address environmental concerns yielded positive effects. In striving for sustainable development, it was necessary to move away from the three pillars paradigm to a more intertwined, coherent and holistic approach. For its part, UNEP had recently produced reports to inspire the discussions on green economy, such as the landmark report, *Towards a Green Economy: Pathways to*

*Sustainable Development and Poverty Eradication*, the regional report “Green Economy Success Stories from the UNECE Region” (ECE/ASTANA.CONF/2011/INF/25), as well as *Keeping track of our changing environment: from Rio to Rio+20*, prepared in advance of the upcoming fifth UNEP Global Environment Outlook report in 2012.

5. The Deputy Regional Director of the United Nations Development Programme (UNDP) addressed the need for a managed transformation to a sustainable model of economic and social development. Fossil fuel-based economic growth had led to unequal societies with a series of social problems. With regard to energy access for the poor, renewable energy such as solar panels and biomass should be used. The region needed to move away from dirty forms of traditional energy also because of their health impact. In order to achieve the transformation to sustainable energy, Governments needed to phase out direct or indirect subsidies for fossil fuel energy in all its forms. The transformation to a more sustainable society should include the establishment of a social protection floor that would help vulnerable groups cope with new dynamics of labour markets and increasing energy prices. Finally, partnerships with the private sector were needed for technologies, innovation and investment.

## **II. Assessment of progress in the implementation of the outcomes of the major summits on sustainable development and addressing new and emerging challenges**

6. The co-Chair of the Regional Preparatory Meeting, the Vice-Minister of Environmental Protection of Kazakhstan, reported on the outcomes of the Seventh “Environment for Europe” Ministerial Conference and progress made in the development of the “Green Bridge” Interregional Partnership Programme, which had been supported by the Sixth Ministerial Conference on Environment and Development in Asia and the Pacific and had been presented at the Astana Conference. A “Global Energy-Ecological Strategy” had been developed by leading scientists of Kazakhstan and the Russian Federation. Kazakhstan had proposed to discuss that Strategy and the “Green Bridge” Partnership Programme at the Rio+20 Conference as a practical and voluntary mechanism for the transition to a green economy.

7. Delegations observed that the world had significantly changed since the 1972 Stockholm Conference and also presented a different situation to the one existing in 1992. While there has been some progress in addressing the three pillars of sustainable development in the ECE region, challenges still remained in many areas in the economic, social and environmental fields. Outstanding environmental concerns in the ECE region included air quality, biodiversity, chemicals and waste management, energy, climate change, freshwater quality, land use and degradation and environmental governance. Within the social pillar, equity was highlighted as a serious challenge, and within the economic pillar reference was made to the global economic and financial crisis.

8. The importance of ecosystems, biodiversity and land and water resources and the threats they faced, as well as effective natural resource management were all repeatedly mentioned by delegations as challenges. There was a need for sustainable management of oceans, including coastal areas. The urban built environment was also highlighted; it was considered urgent to focus on improving the sustainability and resilience of the built environment in cities (“Living Cities”), as the global population not only continued to grow steeply but also became increasingly urban. Construction lagged substantially behind other industries in achieving productivity gains.

9. Some delegations mentioned the need to go beyond general discussions and preparation of documents at the Rio+20 Conference and to come to a consensus on concrete targets and goals, including putting in place sustainable development goals.

10. The two themes of the Rio+20 Conference offered promising ways to achieve the objectives of the Conference. A majority of delegations stressed that the main operational outcome of Rio+20 should include a green economy road map with specific goals, objectives and actions at the international level, as well as a package of reforms, which included the upgrading of UNEP into a specialized agency for the environment, leading to a strengthened international environmental governance as part of a more balanced and effective institutional framework for sustainable development. At the same time, a few others encouraged participants to bring their own compendium to Rio that would describe in detail how the individual groups or coalitions of participants would undertake action to help build a sustainable future. Those delegations also favoured strengthening existing institutions that had already proven their worth instead of trying to set up a new statutory institution on the environment.

#### **Addressing equity issues**

11. Many delegations underlined that the challenge of addressing equity issues in a number of areas in the ECE region still remained. In spite of some progress, there were a great number of people living in poverty in the region without access to affordable, safe and reliable energy, sanitation and basic commodities, or receiving a fair distribution of wealth and the benefits of development. In that regard, unequal societies had a series of problems that equal societies did not have: higher rates of mental illness, more people imprisoned, lower life expectancies and more children dying before they reached their first birthday. The larger the gap between rich and poor, the greater the social problems. Equal societies laid the foundation for a better system of education and better education meant a country was more competitive in a knowledge economy; it was also suggested that the role of education should be stressed in the region and for development cooperation to be strengthened. The Rio+20 Conference provided a unique opportunity to reconfirm the political commitment towards equitable and sustainable development.

12. The issue of gender inequality, in particular, still remained a challenge, speakers noted, as women were still the majority of the poor and had not been taken into consideration in sustainable development strategies. When women were afforded equal access to resources and opportunities and participated in decision-making processes they could become drivers as well as beneficiaries of equitable economic growth, environmental sustainability and poverty eradication. For women to become active agents of change and catalysts for sustainable development, their economic, social and political rights needed to be strengthened.

13. Several speakers also proposed a social protection floor, which would help poor and vulnerable groups cope with the new dynamics of labour markets and increasing energy prices.

14. Some delegations mentioned the opportunity of the Rio+20 Conference to re-examine the relationship between health and development. Achieving health equity was clearly a main objective of sustainable development: healthy populations were central to sustainable development, with a healthy environment being a prerequisite for good health.

#### **Monitoring progress in achieving sustainable development**

15. Many delegations spoke on the topic of monitoring and assessing progress in achieving sustainable development, and the possible need for data, research, indicators and monitoring. Successful approaches in the ECE region were identified, especially the

development of a shared environmental information system (SEIS), but also the strong multilateral institutions within the region working in this field (notably the European Environment Agency (EEA), ECE, the Organization for Economic Cooperation and Development (OECD) and EUROSTAT). Rio+20 should prioritize the ability of all countries to monitor and assess their own environments and integrate that information with social and economic information to inform the development decision-making processes. Health as well as population indicators might also provide an important indicator of progress towards sustainable development. Some speakers promoted a move beyond gross domestic product as a measure of prosperity and recognition of natural capital. It was also pointed out that the failure to assign a value to the “care economy” led to a failure to identify adequately the impacts of policy decisions on women.

#### **Promoting cross-sectoral approaches**

16. Several speakers focused on the need to involve other sectors in addition to the environmental sector, as well as on cross-sectoral policy formulation, notably addressing the water, energy and food security nexus. In contrast, a narrow sectoral perspective had led to collateral damage and policy gaps, such as limited access to food, energy, and water and sanitation. One example of a successful cross-sectoral approach was an energy policy that also addressed policies on climate change adaptation and mitigation, agriculture, industry, health, education, infrastructure, communications and pollution control.

#### **Economic instruments**

17. There was repeated reference to economic instruments, particularly subsidies, taxes and green procurement. Many delegations sought the removal of inappropriate or perverse subsidies, with several focusing on fossil fuel subsidies, and one on subsidies to the nuclear industry. Fossil fuel subsidies did not benefit the poor. Green taxes were also mentioned, with several speakers suggesting that the transformation to sustainable development, or social and environmental protection, might be financed through a financial transaction tax.

#### **Implementing the Rio Principles**

18. Another common theme was public or stakeholder participation, and transparency, as part of the commitment to implement Principle 10 of the Rio Declaration (on public participation, access to information and access to justice). New technologies should be promoted to bolster inclusive participation. It was also suggested that there should be stronger application of the precautionary principle, for example, via assessment of the impacts of new and emerging technologies or research-based evaluations of policies. More broadly, some delegations emphasized the need to integrate economic, social and environmental considerations into decision-making, with broad participation in decision-making processes, referring in particular to the Chisinau Declaration, which had been recently adopted by the Meeting of the Parties to the Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters (Aarhus Convention).

#### **Sustainable energy**

19. Many delegations noted the importance of energy efficiency, energy-efficient buildings and sustainable energy access for the poor, as well as of the security of energy supply. One speaker suggested the need for a global energy strategy. The importance of resource efficiency and technological development and innovation was also mentioned.

#### **Disaster risk reduction**

20. The inclusion of disaster risk reduction in development strategies, with adequate funding, was also stressed by speakers, as the region was facing a range of new risks and an increased vulnerability to disasters.

#### **Multilateral agreements and processes**

21. Delegations recognized that important progress had been made at the global and regional levels with regard to the implementation of multilateral environmental agreements. The recent meetings of conferences of the Parties to the various Rio Conventions, such as the Convention on Biological Diversity (Nagoya Conference), the United Nations Convention to Combat Desertification (Changwon Conference), and the United Nations Framework Convention on Climate Change (Cancun Conference), had resulted in decisions to assist in the achievement of sustainable development goals. Nonetheless, there was an awareness of the need for greater coherence between agreements, the development of global chemical agreements and stronger implementation and enforcement of environmental legislation.

22. Several delegations mentioned the five ECE environmental conventions as successful examples of regional conventions supporting sustainable development that could be shared with other regions. In addition, a number of delegations highlighted the importance of the “Environment for Europe” process in the ECE region and mentioned the successful outcomes of the Astana Ministerial Conference, including the Ministerial Declaration with its emphasis on the sustainable management of water and water-related ecosystems and on greening the economy.

23. Also highlighted were the ECE and United Nations Educational, Scientific and Cultural Organization (UNESCO) work on education for sustainable development and, more broadly, the contribution of research and development and the transfer of knowledge and technology. The region had much to offer in science, technology and innovation.

24. Generally, speakers recognized that ECE as well as other organizations in the region had good processes in the field of sustainable development, some of which could be shared with other regions. Nonetheless, there was still far to go in supporting the implementation of the commitments made in Rio de Janeiro in 1992.

25. Finally, several delegations stressed the need for a refreshed political commitment to sustainable development by the international community.

### **III. A green economy in the context of sustainable development and poverty eradication**

26. It was widely recognized that green economy offered an opportunity to bring together and strengthen economic, environmental and social aspects to achieve sustainable development goals. However, participants agreed that there could be no one-size-fits-all framing of the green economy; any agreement in Rio would have to take into account the individual economic and political circumstances of countries. Policies supporting a green economy should not result in increased discrimination or barriers to international trade and investment.

27. While a few delegations explicitly expressed reservations, the vast majority explicitly supported an internationally agreed green economy road map consisting of political and action-oriented components to be adopted at Rio+20. The road map could cover the vision for the next two decades, containing specific goals, objectives and actions at the international level and timelines and guiding principles for implementation,

monitoring and review mechanisms. An accompanying policy toolbox would provide a set of practical instruments to support countries' implementation efforts to meet the goals and targets.

28. Some delegates stressed the need to mainstream green economy at the national level, including through the development of national plans for a green economy. In that regard, it was important to strengthen and further develop the capacity of countries, including through advisory services and sharing of good practices.

29. Regarding the policy mixes that had the potential to achieve a green, inclusive and competitive economy over the short, medium and long term, and the role played by regional cooperation in that respect, there was a general consensus that country circumstances differed and therefore so would their policy choices. One delegation pointed out that countries could draw on a variety of options and tools, such as: improving data collection and data sharing; developing strategies for improving resource conservation and productivity to assure food security; conserving biodiversity and using natural resources and ecosystems sustainability; developing and deploying clean energy technologies; promoting low carbon development; improving consumer outreach efforts to promote green purchasing; developing human capacity for the green economy and green jobs creation; eliminating fossil fuel subsidies; and supporting the elimination of trade barriers to environmentally friendly goods and services.

30. The governance of the green economy had to reach across different sectors. In particular, ministers of finance, economy, and energy were important stakeholders in designing the green economy toolkit and needed to be comfortable with the decisions taken.

31. It was further generally agreed by participants that the development and implementation of green economy policies called for the active involvement of all stakeholders, including the private sector, non-governmental organizations and local communities.

32. The rights and the perspective of the individual should be a central component of the green economy. Democratic and transparent societies which allowed individuals to achieve their full potential should be considered as part of sustainable development. Education for sustainable development was important in many dimensions, including improving consumer choice, equipping decision makers with adequate information and increasing political will in the promotion of green economy.

### **Sustainable production and consumption pattern**

33. Participants highlighted the importance of increases in resource efficiency, e.g., through developing and deploying clean energy technology, water resources management, urbanization and transport management. The need to reduce absolute levels of resource consumption through a fundamental change in consumption and production patterns was also recognized by many delegations. The adoption and implementation of the Ten-Year Framework of Programmes on Sustainable Consumption and Production, negotiated at the nineteenth session of the Commission on Sustainable Development, was recommended by several delegations.

### **Green economy, poverty and employment**

34. Green economy could help to address poverty, which remained high in a number of ECE countries, especially those in Central Asia and the Caucasus. Social inclusion and the green economy's contribution to combating poverty had therefore to be strengthened urgently. Concrete suggestions included facilitating access to technology, especially energy technology, by the vulnerable and the poor. That was much less an issue of intellectual property rights, and concerned making technologies available in much smaller increments

and quantities so as to reach the individual. Another suggestion was to expand green microfinance and small capital grants, together with private sector partners, for the benefit of local people. Finally, one could explore the potential of export promotion, e.g., of green technology fairs for smaller cities and communities.

35. It was noted that the region was facing a record level of unemployment among youth. Furthermore, the structural change that would be triggered by the green economy could be disruptive for industries and labour markets if not combined with the appropriate labour market policies. However, with a correct set of complementary labour market policies, there could be net increases in employment, job quality, income distribution and social inclusion. Those complementary policies included the provision of social protection floors, education and skills development and promoting economic diversification. Areas offering potential for job creation were identified in public transport, housing, renewable energy, waste management and recycling.

#### **Identifying priorities and designing policy mixes for the green economy**

36. Despite the need to avoid a one-size-fits-all approach for all countries, some common actions could already be identified to promote the green economy in many countries in the ECE region, for example: (a) investment in key areas, including energy efficiency, biodiversity, sustainable agriculture, recycling, and others; (b) the use of a well-balanced policy mix, combining regulatory and market-based instruments, such as carbon pricing and emissions trading systems; (c) improved governance and encouraging private sector involvement; and (d) the removal of harmful subsidies (i.e., fossil fuel subsidies).

37. The policy mix for the green economy had been well covered by the green economy reports of UNEP, OECD, the Group of 20, as well as recent United Nations reports on the topic, which provided important sources of reference for countries in that regard. In the context of the ECE region, in addition to the inter-agency report highlighted by the ECE Executive Secretary (see para. 2 above), a recent OECD report had focused on tailoring the green economy recommendations to the countries in Eastern Europe and Central Asia. The report gave prominence to the agricultural and energy sectors due to their importance for the region, and found that there were important constraints in access to financing due to high interest rates.

38. It was essential to do more analytical work on the potential impacts of the green economy at the national level, including advisory services, in order to better understand and communicate the benefits of green investments compared with business as usual. Such work could be supported by the World Bank, UNEP, UNDP, the International Labour Organization and others. ECE was well placed to play a role in the transition towards green economy in the ECE region, building on its success in improving environmental protection and promoting sustainable development. In that vein, delegations at the Astana Conference had already shown their intention to take the lead in greening the economy by deciding to extend SEIS to the whole pan-European region and to include a chapter on green economy in the forthcoming third cycle of Environmental Performance Reviews.

#### **Promoting innovation and new technologies for sustainable development**

39. It was emphasized that basic and applied research, research and development and innovative policies would play an important role in greening the economy. Government policy was critical in setting the right incentives and providing subsidies where needed. It was also important to carry out more research in the area of food security.

40. There was good potential for making practical progress on the use and dissemination of technologies. One participant called upon those countries that had such technologies to set up a technology pool that could transfer technologies to those countries that lacked



them. Others also stressed the importance of developing policy instruments to support the transfer of technologies within countries and from developed to developing countries and thought that the World Bank, the International Monetary Fund or the World Trade Organization could play a major role in helping to develop such mechanisms.

### **Financial support**

41. Official development assistance for the lower income countries of the ECE region and other regions could serve as a driving force for involving stakeholders, building capacities and transferring knowledge and good practices. However, it needed to be targeted and efficiently used and was not a means for addressing all challenges. Capacity development should provide country-specific advice and, where appropriate, region- and sector-specific advice within national contexts.

42. Several participants highlighted the importance of financial institutions in enabling the necessary investments to take place from a sustainable development perspective. A great deal of convergence in environmental and social policies to reflect international good practice could already be observed. Concrete initiatives included those by the international financial institutions, the Equator Principles, the UNEP-Finance Initiative (UNEP FI) and others. Many financial institutions also invested in other financial institutions through credit lines, equity investments and through guarantees, and demanded that the same policies be followed downstream. There was, however, a need for greater coherence at both the international and national levels, as well as a regulatory framework that was conducive to responsible financing.

### **Engaging the private sector**

43. The importance of engaging the private sector was stressed by many participants. Public policy had to be aligned with private incentives and had to create a long-term policy framework upon which the private sector could base its decisions. Without green business, there would be no green economy. There was also an important role for voluntary standards, such as the “Energy Star” label for energy-efficient products.

44. In that respect, one specific proposition was to create a global policy framework, to be promoted by UNEP FI or the Global Reporting Initiative, for global and listed enterprises to make sustainability part of their policies and to conduct material accounting as part of their published accounts, based on global standards such as the Principles for Responsible Investment. That practice had already been pioneered by business. Sustainability reporting had proved to be driving performance and driving change, empowering investors and the public to make assessments about enterprises’ sustainability performance. The concrete suggestion was not to make such reporting mandatory, but rather to make mandatory the reporting of the reasons why such sustainability reporting had not been applied by a particular company. To date, the proposal had been piloted successfully in Denmark and South Africa and had led to a much higher level of reporting by enterprises. The practice was considered low-hanging fruit and could become common practice for all large companies.

45. Furthermore, public-private partnerships (PPPs) were regarded as a significant part of the policy mix to build sustainable infrastructure which could help to sustain the economic recovery. Some very good partnerships had already emerged, but the overall result was still mixed. PPPs should be part of an international sustainable development policy, and what had and what had not worked should be further explored. It was also necessary to develop more harmonized models for reporting on PPPs for sustainable development.

46. The “Green Bridge” Initiative, which was supported by the Sixth Ministerial Conference on Environment and Development in Asia and the Pacific, could be a practical mechanism for transferring green technologies and investment among the countries of Europe, Asia and the Pacific. The Green Bridge Partnership Programme, based on that initiative, could provide a long-term and stable base for green investment and cooperation.

#### **Public procurement**

47. Sustainable public procurement was supported as a first critical step to further the green economy at the national as well as the subnational level. Concrete progress was proposed in the form of sustainable public procurement targets that could be met by an increasing number of countries over the years.

#### **The role of multilateral environmental agreements**

48. Some delegations stressed the many concrete policy tools under various multilateral environmental agreements (MEAs) and programmes. The ECE region should make full use of the already existing instruments. The MEAs serviced by ECE were unique legal instruments, and should be instrumental in paving the way towards a green economy. In particular, the Protocol on Strategic Environmental Assessment under the Convention on Environmental Impact Assessment in a Transboundary Context (Espoo Convention) could help to integrate green economy considerations into other sectoral strategies besides the environment. The Aarhus Convention had also proved its importance as an instrument for implementing sustainable development and, specifically, Principle 10 of the Rio Declaration. The Convention on the Protection and Use of Transboundary Watercourses and International Lakes (Water Convention) helped foster resource efficiency through the equitable and reasonable use of water resources by integrating water in development and sectoral policies, in particular the food-energy nexus. The Water Convention’s Protocol on Water and Health was also a powerful tool to ensure universal equitable access to safe water supply and adequate sanitation. The Convention on the Transboundary Effects of Industrial Accidents fostered, among others, safe production technologies and safety techniques. Finally, the emission targets from the Convention on Long-range Transboundary Air Pollution and its protocols promoted low-emission technologies and technological innovation.

49. At the subregional level, it was noted that the Integrated Coastal Zone Management Protocol, adopted as part of the Convention for the Protection of the Mediterranean Sea against Pollution, was the only legal instrument in the world for coastal zone management.

#### **Sustainable energy**

50. The transformational change that had occurred in Central and Eastern Europe during the 1990s had lessons to offer for the impending green economy transformation, particularly in the field of energy, some speakers noted. Energy efficiency in buildings was singled out as having the potential to generate a large number of jobs and to engage local level stakeholders and the private sector.

51. Energy sustainability, affordability and security should be at the heart of the discussion about sustainable development. Government energy subsidies were viewed by some delegations as wasteful and needed to be replaced with market-based pricing that captured environmental costs, combined with income supports to address negative distributional impacts that might result from the removal of subsidies. Priority should be given to improving energy efficiency from source to use, to reducing the carbon intensity of the energy sector, including through the promotion of renewable energy, and to enabling the cost-effective development and deployment of sustainable energy technology.

52. Finally, there was a call from some delegates to exclude nuclear power from the green economy undertaking due to the negative impacts arising from nuclear accidents.

#### **Water and sanitation**

53. Another priority area stressed was water and sanitation. An estimated 884 million people lived without safe, adequate access to water and those estimates were probably a gross underestimation of the real numbers, which were thought to be closer to 3.5 to 4 billion. Enabling access to water and sanitation encouraged well-being and jobs and needed to be given more attention. Water use efficiency should be promoted broadly. Increasing water productivity and sustainably managing shared water resources was of critical importance for many countries, in particular for Central Asian countries. Policy instruments for sustainable financing in the water sector needed to marry three levers: the use of revenues from tariffs, taxes and transfers to support access by the poor.

#### **Food security and sustainable agriculture**

54. Many delegations, including major groups, noted the importance of food security and sustainable agriculture within the context of a green economy and poverty eradication, and proposed to strengthen the implementation of sustainable agriculture. Development of policies for sustainable agriculture, conducive to people's well-being, the welfare of farm animals and the preservation of natural resources and ecosystem services, were essential.

#### **Indicators measuring progress towards a green economy**

55. Regarding indicators, there was a definite need for ways to measure and assess progress towards a green economy. It was a priority to quantify the natural capital stock and integrate it into national/international accounting systems. While countries needed to define their own relevant sets of indicators for measuring progress towards green economy, there was also a need to achieve some international comparability. There should be a commonly defined methodology and a transparent review process of the data and results.

## **IV. The institutional framework for sustainable development**

#### **Increased momentum on institutional framework for sustainable development discussions**

56. Many delegations emphasized the increased momentum underpinning discussions on the institutional framework for sustainable development, especially in recent months. There was an emerging consensus on the need to act ambitiously both on international environmental governance and on the broader institutional sustainable development framework in order to deliver on sustainable development, greener economies and poverty eradication. Some delegations noted that the reason for the mounting ambition levels related to the dissatisfaction with the existing institutional system.

57. Several delegations stressed the need to strengthen, in particular, the environmental pillar of sustainable development, especially in the light of the growing evidence of the extent to which the planet's resources were being exhausted.

#### **Current institutional framework for sustainable development weaknesses**

58. A number of delegations stressed the current weaknesses in the institutional architecture in addressing global sustainability challenges. They highlighted in particular the challenges related to implementation, fragmentation and coordination. Some noted the

lack of implementation support for developing countries and, in particular, the constraints faced by UNEP in terms of limited authority and insufficient resources.

59. Other delegations emphasized that during the current period of financial crisis, the world could not afford inefficiencies in the international environmental governance system, although one delegate noted that the financial crisis did not allow for a major institutional overhaul.

#### **Principles for institutional framework for sustainable development**

60. A number of delegations stressed that reform of the institutional framework for sustainable development had to be grounded in a number of key principles, especially the need to renew political commitment for sustainable development, the importance of integrating the three pillars of sustainable development and the need to enhance the integration of sustainable development.

#### **Institutional framework for sustainable development outcomes needed from Rio+20**

61. Delegations noted the current lack of agreement on the actual institutional options at the global level, especially for the international institutional architecture. There was, however, a consensus on the need to improve the organization of the institutional framework at the global level. There was also agreement on the importance of strengthening governance at the regional, national and local levels.

62. Some delegations emphasized that, whatever the actual outcome, Rio+20 had to send a strong and focused message about the need to strengthen the institutional framework in order to address the new generation of challenges and ensure effective implementation at all levels. There was a need to move beyond negotiation to genuine implementation. Delegations also stressed that strong political commitment was needed to move beyond business as usual.

63. Delegations also emphasized the need to engage international and regional financial institutions.

64. Furthermore, there was a need for ensuring greater coherence among MEAs and for measures to enhance their implementation and compliance.

#### **Reform of the institutional framework for sustainable development at the global level**

65. With regard to reforming the institutional framework for sustainable development at the global level, the options under discussion ranged from incremental steps to more ambitious reform measures. Those included the strengthening of existing bodies, such as the Commission on Sustainable Development, UNEP and the Economic and Social Council, or the creation of new bodies such as a United Nations Sustainable Development Council, which could undertake such activities as peer reviews for sustainable development.

66. A vast majority of delegations emphasized that the best way to strengthen the environmental pillar was to upgrade UNEP to a specialized agency, based in Nairobi, to ensure a more balanced institutional framework for sustainable development. However, some delegations suggested that the goals of strengthening institutions could be achieved without transforming them.

67. Some delegates underscored the need to integrate sustainability principles into the heart of United Nations decision-making processes, and the important role a new Council for Sustainable Development that would subsume the Commission on Sustainable Development could play in that connection. One delegate favoured the establishment of a

world environment court, and another raised the need to fully include national parliaments into international decision-making.

68. Other speakers proposed the creation of an intergovernmental panel on sustainable development modelled on the Intergovernmental Panel on Climate Change and the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services. Such a body would ensure a deeper interface between science and policy.

69. On the challenge of strengthening integration, some delegations suggested a legal framework, such as an international convention on sustainability/environmental impact assessment, possibly based on the ECE Espoo Convention and its Protocol on Strategic Environmental Assessment.

70. Many delegations underscored the importance of implementing Rio Principle 10, including by means of the Aarhus Convention. A few delegations emphasized that there were different ways to operationalize Principle 10 in accordance with national specificities. Some delegates supported the commencement of international negotiations on a new international convention (modelled along the Aarhus Convention), while other delegations preferred other options for strengthening Principle 10, including joining the Aarhus Convention, which was open for global accession.

#### **Institutional framework for sustainable development reform at the regional level**

71. At the regional level, some delegations called for strengthening the mandates of the regional commissions and improving their interface with other regional bodies. They also stressed the importance of regional and subregional cooperation to address transboundary environmental challenges, and the important role the Regional Environmental Centres played in that respect. It was also noted that ECE was the only region so far with a legally binding instrument on the implementation of Principle 10, namely, the Aarhus Convention.

72. The importance of regional cooperation was also emphasized in the context of the role that sustainability played in the promotion of peace and security. The Environment and Security Initiative (ENVSEC) was highlighted as an important example of inter-agency cooperation and partnership between OSCE, UNEP, UNDP, the Regional Environmental Centre for Central and Eastern Europe, the North Atlantic Treaty Organization and ECE. The innovative structure of ENVSEC could serve as a model for other regions.

73. Many delegations stressed the importance of building upon the successful experience with the five ECE environmental conventions. They referred specifically to the Aarhus Convention and the Espoo Convention on Environmental Impact Assessment (and its Protocol on Strategic Environmental Assessment).

#### **Institutional framework for sustainable development at the national level**

74. Delegations said that there was a need to ensure that integration was embedded in the heart of national decision-making. In that regard, national sustainable development councils had to be re-established and/or strengthened in the light of the important role that they played in promoting policy coherence and the role of key stakeholders. The national councils should be promoted at Rio as a model for other countries to use.

75. Some also highlighted the need for a “whole-of-government” approach to ensure decision-making that strengthened coherence between Government departments and integrated sustainability into key policy domains. Others noted the importance of a “delivering as one” approach that had helped national Governments and other actors to improve overall policy coherence.

76. Some delegations underlined the usefulness of national strategies for sustainable development, while emphasizing the need to include sustainable development into other policy domains.

77. The establishment of ombudspersons for future generations at the national and/or international level was favoured by some delegations. Others highlighted the need for sustainability indicators to assist in the measuring of progress regarding the implementation of sustainable development.

#### **Institutional framework for sustainable development at the local level**

78. Delegations noted the success with local Agenda 21's around the world, and highlighted the important role that local governments played, especially since they were the level of government closest to citizens and the providers and managers of essential services. It was also suggested by some that the role of local governments be strengthened by allocating them the status of "governmental stakeholders" in the decision-making process at international level. Any future institutional framework for sustainable development should be based on a multi-level governance system to ensure shared ownership and commitment in the elaboration and implementation of sustainable development policies.

#### **Engagement of major groups**

79. In terms of the engagement of major groups, several delegations highlighted the importance of the Aarhus Convention, especially its role in strengthening democracy and environmental rights throughout the region. The success of the Aarhus Convention was reflected in the existence of a number of Aarhus Centres in 10 countries in the ECE region.

80. Some Government and major groups representatives advocated co-management at the Bureau level within the new institutional framework for sustainable development.

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